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PRODUCTIVE EMPLOYMENT AND SUSTAINABLE LIVELIHOODS

Draft resolution 35/---

The Commission for Social Development,

Recalling General Assembly resolution 50/161 of 22 December 1995 by which the Assembly endorsed the Copenhagen Declaration on Social Development and the Programme of Action of the World Summit for Social Development, and resolution 51/202 of 17 December 1996,

Recalling also Economic and Social Council resolution 1996/7 of 22 July 1996 by which the Council decided that the Commission for Social Development, as a functional Commission of the Economic and Social Council, shall have the primary responsibility for the follow-up to the Summit and review of the implementation of the Copenhagen Declaration on Social Development and the Programme of Action of the World Summit for Social Development;

Having given consideration under the agenda item "follow-up to the World Summit for Social Development" to the priority theme for 1997: productive employment and sustainable livelihoods;

Decides to adopt the following agreed conclusions and transmit them to the Economic and Social Council to provide input to the high-level segment of its substantive session of 1997.

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Agreed conclusions

I. Unemployment and underemployment

1. Over 120 million people worldwide are officially unemployed and many more underemployed, causing massive personal suffering, widespread social disintegration and huge economic waste. In many developing countries, unemployment remains a major unresolved problem, and there has been a rise in underemployment with a majority of the labour force remaining in low-productivity work that offers no escape from poverty. In a majority of industrialized countries unemployment has persisted for over two decades while most transition economies have experienced a rapid rise in unemployment since 1990. These existing levels of unemployment and underemployment inflict a high human cost on society in general and the unemployed, in particular, in terms of increased poverty, marginalization, exclusion, inequalities, reduced well-being and loss of dignity.

II. The Goal of Full Employment

2. Against this background it is imperative for all countries and the international community to reinstate the attainment of full, productive, appropriately and adequately remunerated and freely chosen employment as a central objective of economic and social policies. Such a commitment is an essential first step towards reversing the serious unemployment and underemployment situations that exist in most parts of the world. A better understanding of how policy actions impact on employment trend will help take forward this commitment. Defining time-bound goals and targets for reducing overall poverty and eradicating absolute poverty, expanding employment and reducing unemployment, and enhancing social integration, within each national context, would give a strong signal of the increased priority to be awarded to this objective of full employment. With sufficient political will and the coordinated implementation of a comprehensive set of policies, as well as international cooperation in creating an enabling environment, full employment remains an attainable goal. In this context, it is important that broad and comprehensive policies include targeted measures to eradicate poverty and address social and economic inequalities and exclusion.

2 bis. Pursuit of the goal of full employment shall be guided by the objective of ensuring the well-being, equality, the dignity and worth of the human person and the full enjoyment of all human rights and fundamental freedoms. In this context, it is important that Governments mainstream a gender perspective in all policies and programmes related to employment.

3. Central importance should be assigned to employment in the formulation and implementation of economic and social policies, with the understanding that the public sector, the private sector, cooperatives and the civil society have a shared interest in and responsibility for employment, and that the achievement of full employment should be a permanent goal for all of them.

3 bis. The involvement of communities and all actors of civil society for full participation and maximum self-reliance should also draw on the resources, strengths and networks that exist at grass-roots levels.

[3 ter. It is acknowledged that in economies in transition, employment markets are characterized by indications of high non-registered components of working activities, including both employment and unemployment. The promotion of full employment in these countries in order to enable people to support themselves should be considered as a basic priority in social and economic strategies, alongside the control of inflation and budget deficits.]

III. Employment Strategy: National and Global

5. [Open markets and the free flow of goods and services and investment among the nations of the world contribute significantly to achieving the goal of full employment. Towards this end it is important to sustain progress towards a more open, stable, just, equitable and rule-based world economy. Pursuit of growth-oriented policies is equally important for achieving the goal of full employment in each nation. Strengthened international cooperation [as well as abstaining from extraterritorial applications of universal coercive measures of one member State against another/and due respect for the international laws guiding transactions between States] constitutes an important factor in ensuring a stable environment for the growth of the world economy. It will also be important to make further progress towards effective, equitable, development-oriented and durable solutions to the external debt and debt-servicing problems of developing countries, particularly the poorest and heavily indebted countries. Strengthened international cooperation in economic and financial policy will also contribute to ensuring a stable and conducive environment for growth of the world economy.]

6. The social dimensions of international economic policies should receive greater attention and towards this end cooperation between the United Nations, the International Labour Organization, and the Bretton Woods institutions should be enhanced. [In this context the recommendation of the Social Summit for joint meetings of the Economic and Social Council and the Development Committee of the World Bank and the International Monetary Fund should be implemented.] In addition, the promotion of productive employment with fair wages and working conditions should be recognized as an important objective of development cooperation policies. [To this effect, the United Nations, in cooperation with the World Bank, the International Monetary Fund and other multilateral institutions should [enhance the positive and address the negative impacts] of structural adjustment programmes on economic and social development and assist adjusting countries in creating conditions for economic growth, employment opportunities, poverty eradication and social development while protecting basic social programmes and expenditures from budget reductions] and a strong social component should be incorporated into economic reform programmes in order to [enhance the positive effects and] minimize the [any] negative effects of globalization.

7. [At the national level sound fiscal and monetary policies that foster long-term growth should be implemented.] Transparent and accountable governance, an

open and stable political, economic and social environment [with peace and security] and a legal and institutional framework that guarantees [social development and full employment] [human rights] are also imperative. In addition, Governments, together with workers and employers, must provide an enabling environment which nurtures the creation of new, highly productive enterprises [and encourages other forms of productive work and employment and generates sustainable growth and social development].

[7 bis. At the international level, Governments should foster policies of promoting full scale cooperation and refrain from any initiatives which will run contrary to, or violate in any ways the international laws guiding the smooth transactions amongst States, thus leading to prevalence of an enabling international environment ensuring sound economies and full employment and sustained livelihoods.]

8. Policies to promote growth and employment should be based on an appropriate mix of sound macroeconomic [and structural] policies. This could include a restructuring of public expenditure, so as to strengthen the social protection system to make it more employment-friendly, and enhance investment in human resources; encouraging voluntary worker mobility and more active labour market policies.

9. It should also be recognized that economic and social policies are mutually reinforcing and that social policy is a productive factor that has an important impact on social cohesion [and sustainable development]. Of particular importance are policies that place the creation of employment at the centre of national strategies, through expanding work opportunities and increasing productivity in both rural and urban sectors, through upgrading skills to provide security in a context of changing patterns of work, and to raise the motivation of workers, inter alia, through fostering participatory relations at the workplace. The environmental perspective should also be integrated into employment policies by promoting and taking into account sustainable utilization of environmental resources and fully exploiting the potential for growth and employment creation in activities which prevent, repair or limit environmental damage.

9 bis. Governments should utilize and develop fully the potential and contribution of cooperatives for the attainment of social development goals, in particular the generation of productive employment.

IV. [Equity and Poverty Eradication]/[Equality, Social Justice, and Poverty Eradication]

10. Higher rates of growth of productive employment are essential for meeting peoples' aspirations for participation in economic and social life, for eradicating poverty and ensuring equity, and for preserving social cohesion. A high rate of employment generation facilitates the task of ensuring that all workers, men and women, young and old, minorities and persons with disabilities, have the opportunity to be productive participants in the workforce. But the goal must not only be the creation of more jobs; there has to be simultaneous concern with improving the quality of employment and working conditions. [This

involves the enforcement of basic labour standards, including prohibition of forced and child labour, guarantee of the rights of freedom of association and collective bargaining, and adherence to the principle of non-discrimination. The promotion of jobs that meet basic labour standards is not only appropriate from a moral standpoint; it also helps ensure that workers share fully in the benefits accruing from expanded trade and national development.] There should be strong support for the ILO to promote the ratification and implementation of relevant conventions.

Alternative 1: [Governments should enhance the quality of work and employment at safeguarding and promoting respect for basic worker's rights, including the prohibition of forced labour and child labour, freedom of association and the right to organize and bargain collectively, equal remuneration for men and women for work of equal value, and non-discrimination in employment, fully implementing the conventions of the ILO in the case of States parties to those conventions, and taking into account the principles embodied in those conventions in the case of those countries that are not States parties.]

Alternative 2: The ultimate goal in fostering employment growth must be not only creation of more jobs, but better jobs - that is, quality jobs that meet basic labour standards, including prohibitions of forced and child labour, guarantees of the rights of freedom of association and collective bargaining, and the principle of non-discrimination. These basic worker rights must and can be protected for all individuals in all countries, no matter what their level of development. The promotion of jobs that meet basic labour standards is not only appropriate from a moral standpoint. It also helps ensure that workers share fully in the benefits accruing from trade and development. To the degree that respect for basic labour standards ensures work with dignity, it can also lessen social antagonisms and promote the stability required to achieve truly efficient and sustainable development.

11. In addition to improving the quality of employment, public policy has also to emphasise strengthening of the capacity of people living in poverty, other disadvantaged and marginalized groups to benefit from economic growth and new employment opportunities. In developing countries this implies special attention to the rural and urban informal sectors where the poor are concentrated. Small and marginal farmers, especially those in ecologically fragile and remote areas, are handicapped in their access to productive resources, and cannot benefit fully from new economic opportunities. They require increased State support to improve their access to credit, fertile land, productive inputs and extension services. This needs to be supplemented by investments in rural infrastructure, measures to improve access of the rural population to basic social services and the implementation of targeted measures to develop sustainable livelihoods.

12. Similarly, a majority of the urban labour force in many developing countries continue to depend for survival on low-productivity activities in both the formal and informal sectors. The dependence on such activities has grown in countries where employment in the modern sector has either stagnated or declined. It is thus important to adopt policies and programmes to raise productivity and earnings in informal sector activities and improve their working conditions. This should include action to remove unnecessary regulatory

obstacles to the formation and operation of micro and small enterprises, to improve the access of such enterprises to credit and other enterprise development programmes, and to provide sites endowed with the basic infrastructure to enable such enterprises to operate. In particular, innovative alternatives to formal credit systems, such as group-based micro credit schemes, need to be actively promoted.

13. There is need for a coherent set of legislative measures with programmes to achieve strengthening of the small business [and informal] sector through the development of appropriate legal, management and financial structures, to enable the sector to develop in a sustained and organized way; and to initiate and strengthen financing mechanism that enhance small business [and informal] sector access to financial services and to reduce the cost of providing and acquiring these services.

15. Apart from these problems relating to the rural and informal sectors in developing countries, an important aspect of policy that should be emphasized in all countries is the need to provide adequate safety nets for those adversely affected by economic change and to facilitate their redeployment into new activities. The need for such policies is increasing in today's rapidly changing global economy. Freer flows of trade and investment, together with rapid technological change, increase the pressures to adjust structures of production and to reform economic policies and institutions. The impact of these pressures has been seen in reduced employment prospects for low-skilled workers in the industrialized countries, in the sharp rise in unemployment and inequality in the transition economies, and in the social costs of structural adjustment and economic reform in developing countries. A key requirement for coping with these problems is the enhancement of the "employability" of all workers. This involves measures to ensure that workers have the skills and abilities they need to move efficiently from job to job and that they continually maintain and upgrade those skills and abilities. [The Bretton Woods institutions and other organizations and bodies of the United Nations system should [continue to] work together with concerned countries to improve policy dialogue and develop new initiatives to ensure the structural adjustment programmes promote sustained economic and social development. In addition to augmenting the flow of resources through established channels, relevant United Nations bodies, in particular the Economic and Social Council, should consider new and innovative ideas for generating funds for this purpose.]

16. Another crucial dimension is equal opportunity for men and women. A gender perspective should permeate all policies and programmes aimed at employment creation, including attention to paid and unpaid work. This is particularly important at the stage of policy formulation, where the potential impact of proposed policies on gender equality should be analysed. Gender impact analyses should also be a regular feature in all stages of policy making. Employment policies should also contain positive actions to [enhance opportunities]/[ensure equal opportunities] for women. In this connection all countries should fully implement the commitments assumed in Beijing [and their obligations under CEDAW and other international human rights instruments] concerning women's economic rights and independence, including access to employment and resources and appropriate working conditions.

17. The Commission therefore recommends that:

(a) A gender perspective should be mainstreamed throughout all policies and programmes aimed at employment creation, so that, before decisions are taken, an analysis is made of their effects on men and women, respectively. Gender sensitive employment policies should not only contain special policies to enhance the labour market prospects for women, but also include gender impact analysis as a regular feature in all stages of the overall policy making process.

[(b) Governments should actively combat gender discrimination in the labour market. Social support mechanisms should be provided to allow women and men to harmonize work and family responsibilities and make provisions for adequate child care, care for older persons and other support services and facilities in order to facilitate the employment of women. Policies of education for girls, vocational training and vocational guidance should encourage non-traditional career choices. Women's active participation in the decision-making process should be increased within Governments, and workers' and employers' organizations.]

Alternative 17 (b): [Governments should actively combat gender discrimination in the labour market. Flexible working time arrangements and social support mechanisms, such as child care, should be provided to allow men and women to harmonize work and family responsibilities. Occupational segregation should be eliminated, inter alia by ensuring that girls complete their education and by encouraging both boys and girls to make non-traditional career choices. Steps should also be taken to ensure that the high representation of women in part-time employment does not exclude them from training. Women's active participation in political decision-making, as well as in the structures of economic decision-making, and in workers' and employers' organizations should be strengthened.]

[(c) Governments should allocate resources to improve women's access to credit and technology so as to facilitate self-employment and the setting-up of small enterprises - a type of measure that has been successful in many countries.]

Alternative 17 (c): [Undertake legislation and administrative response to give women equal rights with men to economic resources, including access to ownership and control over land and other forms of property, credit, inheritance, natural resources and appropriate new technology.]

[New 17 (d): The importance and relevance of micro credit programmes for poverty eradication, creation of productive employment and sustainable livelihoods for people living in poverty is recognized. Micro credit programmes should therefore be promoted actively at both national and global levels with active cooperation of international organizations concerned.]

V. International Cooperation

18. Globalization offers opportunities, challenges and risks. [There is general agreement on the value of a more open and rule-based international system characterized by a freer flow of trade and foreign investment and increased financial flows.] National strategies of economic reform and international cooperation must incorporate a strong concern of the social implications in order to enhance the positive and minimize the negative effects of the global economy.